

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL****FOR: HEALTH CARE FINANCING ADMINISTRATION**TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

2004-003

2. STATE

ARKANSAS

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2004

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 441.20

7. FEDERAL BUDGET IMPACT:

a. FFY 2004 \$ 3,971.00

b. FFY 2005 \$15,604.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Page 1v

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):* Same, Approved ~~11-02-05~~, TN 04-005(A)
11-02-04

10. SUBJECT OF AMENDMENT:

Medicaid reimbursement methodology for the levonorgestrel releasing intrauterine device.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Mike R. Jeffus

14. TITLE:

Director, Division of Medical Services

15. DATE SUBMITTED:

April 28, 2004

16. RETURN TO:

Division of Medical Services
PO Box 1437, Slot S295
Little Rock, AR 72203-1437

Attention: Carolyn Patrick

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

30 APRIL 2004

18. DATE APPROVED:

14 DECEMBER 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 JULY 2004

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

ANDREW A. FREDRICKSON

22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR

DIV OF MEDICAID & CHILDREN'S HEALTH

23. REMARKS:

* Pen + Ink Change per phone conversation w/ State on 12-13-04.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 4.19-B
Page 1v

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: July 1, 2004

4.c. Family Planning Services

Reimbursement is based on the lesser of the amount billed or the maximum Title XIX (Medicaid) charge allowed. The Title XIX (Medicaid) maximum for Family Planning services is 100% of the current physician Medicaid maximum.

At the beginning of each calendar year, the State Agency will negotiate with the affected provider group representatives to arrive at a mutually acceptable increase or decrease from the maximum rate. Market forces, such as private insurance rate, medical and general inflation figures, changes in practice costs and changes in program requirements, will be considered during the negotiation process. Any agreed upon increase or decrease will be implemented at the beginning of the following State Fiscal Year, July 1, with any appropriate State Plan changes.

Reimbursement for the intrauterine device (IUD) is based on 100% of the manufacturer's list price as of July 1, 2003. Effective, July 1, 2004, the levonorgestrel releasing IUD is reimbursed based on 95% of the average wholesale price (AWP) as of April 1, 2004.

04-05(A)

STATE <u>Arkansas</u>	A
DATE REC'D <u>4-30-04</u>	
DATE APP'D <u>12-14-04</u>	
DATE EFF <u>7-1-04</u>	
HCFA 179 <u>04-03</u>	